

# Northern Appraisal Playbook

## **Strengthening business cases in the North**

May 2025



# Introduction

Welcome to our Northern Appraisal Playbook. It is a practical guide packed with advice and tools to help strengthen your business cases for transport investment in the North.

We understand from local transport partners that securing investment in the North is often held back by an appraisal process that does not fully capture all the benefits – especially wider economic, social, and environmental impacts. We've developed this playbook to help you overcome these challenges and give your projects a stronger chance of receiving the investment they deserve. We want to help you clearly show how your projects will benefit people and places across the North.



To help you navigate the appraisal process, this guide shares how to apply existing flexibilities within Green Book and Transport Appraisal Guidance (TAG) and how to align your business cases with wider local, regional, and national ambitions. It offers advice on developing your project's economic case and capturing its wider benefits. You will also find references to existing tools and models we have developed at Transport for the North that can further strengthen your business case submissions.

Future phases of this playbook will offer further advice, developed through research and discussions with the government. Our goal is to bring about long-term improvements to the appraisal system, supporting business case development across the North. This includes supporting the recently announced Green Book Review, which HM Treasury is leading and will conclude in summer 2025.

## Navigating the appraisal process

Capacity and capability to undertake development of business cases varies across Northern partners. Where possible, it is vital that organisations developing business cases build a strong and enduring relationship with the Department for Transport (DfT) and Ministry of Housing, Communities and Local Government (MHCLG) as appropriate. Where partners are commissioning consultants to support them in developing their business cases, then it would be helpful to consider including the flexibilities identified within the playbook as part of any project scope.



Early conversations to outline plans, communicate the strategic need for a project and check expectations will set the project up for success. This can include how economic appraisal will be undertaken either on a project or programme level, ensuring an appropriate approach to monitoring and evaluation is built into the business case and the scope to utilise Green Book flexibilities identified in this document.

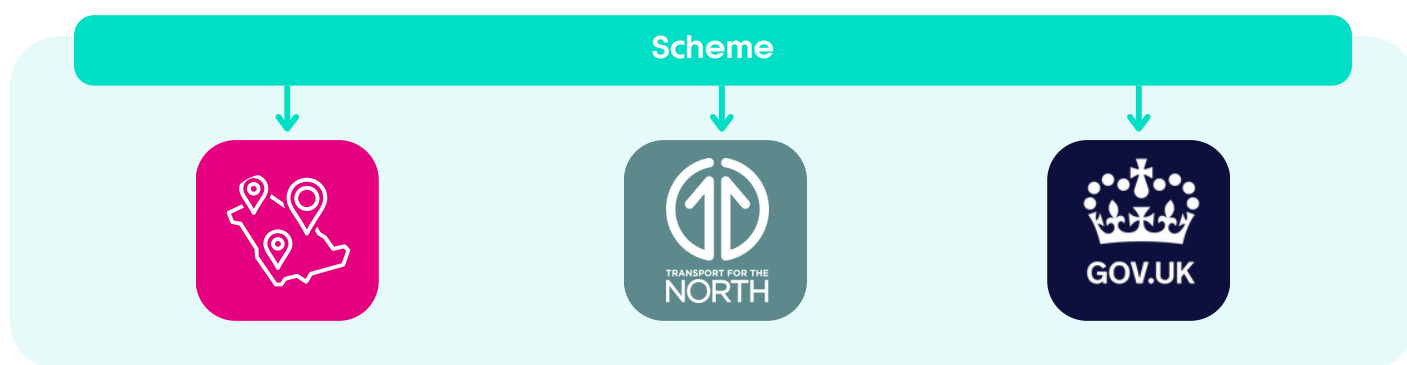


# Highlighting how your case aligns with wider strategic goals

The 2020 Green Book review by HM Treasury emphasised that strong strategic cases are essential and that decisions around business cases should not be made simply based on a Benefit Cost Ratio (BCR).

It is important that the business case focuses on outcomes and that a range of options have been considered. DfT guidance states 'Strategic priorities should be defined at the national, regional and local scale. This includes priorities of the national government, government departments (such as DfT), agencies and public bodies, sub-national transport bodies (such as Transport for the North) and local stakeholders.' This presents the opportunity to weave a strong narrative or 'golden thread' to showcase where a scheme sits in relation to wider aims and the outcomes it will deliver.

**We recommend highlighting how the scheme contributes to your authority's objectives, the North's strategic objectives outlined in the [Strategic Transport Plan](#) and the Government's missions.**



## The North's strategic ambitions outlined in the [Strategic Transport Plan](#)

### **Transforming economic performance**

The Northern Powerhouse Independent Economic Review (NPIER), which identifies the economic prize of closing the productivity gap between the North and the rest of England (less London), would mean a Northern economy that is £118bn larger by 2050.

### **Rapid decarbonisation of our transport system**

Our Regional Decarbonisation Strategy which sets the need to achieve near zero carbon emissions of surface transport by 2045.

### **Enhancing social inclusion and health**

Based on Connecting Communities, our socially inclusive transport strategy which builds on our ground-breaking work on transport-related social exclusion (TRSE), the Strategic Transport Plan sets the aim to remove the risk of TRSE for a million people across the North by 2050.

# How our strategic ambitions support the Government's 5 key missions

## Kickstarting Economic Growth

**Our strategic ambition: Transforming economic performance - £118bn Gross Value Added (GVA) increase by 2050**

- Investment in the North's transport system must not only close the productivity gap between the North and the rest of England, but it must ensure that all parts of the North realise their potential.
- Transforming connectivity is critical in giving confidence to the business community, connecting them with markets and giving access to labour.
- Investment in improving infrastructure and services has always been seen by the North as an enabler of economic growth; an opportunity to improve access to markets domestically and internationally, and an opportunity to deliver growth that is sustainable and inclusive for the longer term.

## Make Britain a clean energy superpower

**Our strategic ambition: Rapid decarbonisation of our transport system – Near zero surface transport emissions by 2045**

- Increase rail freight's mode share in the North by trebling rail's share of freight to 25.5% by 2050.
- Support modal shift to sustainable modes, with a target of 51% of journeys to be made by public transport and active travel modes by 2050.
- Reduce car dependency with a zero increase in private car and taxi mileage on the North's road network to 2045 (compared to 2019).
- Uptake of public electric vehicle charging points at scale and pace across the North, providing between 178,000 and 240,000 public charging points by 2030.

## Take back our streets

Whilst the Strategic Transport Plan doesn't have specific crime targets, it does recognise that safety and accessibility are a fundamental requirement of a good transport system, determining how people use and perceive it. This is relevant to actual and perceived safety on local public transport and active travel trips.

## Break down barriers to opportunity

**Our strategic ambition: Enhancing social inclusion and health**

- Reduce the number of people at 'high' and 'highest' risk of TRSE.
- Ensure all rail stations in the North to meet TfN's desired accessibility standards by 2050.

Our vision for a near zero-emission, integrated, safe, affordable and sustainable transport system will enhance connectivity, support mode shift and resilience and improve journey times for all users. This would mean enhanced access and choice for those experiencing forced car ownership - where car use is a prerequisite for accessing the key destinations necessary for everyday life, but where the costs of car access cause significant financial hardship.

## Build an NHS fit for the future

**Our strategic ambition: Enhancing social inclusion and health**

By making journeys safer and healthier, we'll reduce the strain on the NHS. The Strategic Transport Plan seeks to:

- Reduce the number of people killed and seriously injured in traffic incidents to zero by 2040.
- Increase active travel as part of aiming for 51% of journeys to be made using sustainable modes.
- Eliminate the need for Air Quality Management Areas in the North announced due to NO2 or PM10 to zero by 2045 by bringing air quality within legal limits.
- Reduce to zero the proportion of the North's Major Road Network by length that exceed WHO Nitrogen Dioxide exposure limits by 2045.

# Strengthening your strategic case

## Does your business case consider the place-based impacts?

Transport business cases are inherently strongly place-based. Use of DfT guidance<sup>[1]</sup> allows an understanding of how changes to the transport network will influence local areas across a study area. It can be useful to apply our tools providing place-based analysis, including the impact on Transport Related Social Inclusion (TRSE) as part of a scheme assessment.

In general, transport investments in areas of higher productivity are more likely to yield higher BCRs. This is due to the higher economic activity and larger pool of users which can lead to higher demand for transport and therefore potentially greater benefits from improved transport infrastructure. However, whilst it's essential to present a business case which has a good value for money, for investments in the North it is also important to adopt a balanced approach that considers metrics that align to a broader variety of government objectives, such as equity, sustainability and prosperity, to ensure transport benefits all communities regardless of their level of productivity. There are simply different challenges and opportunities presented within each region.

Those metrics also help build a narrative for transport business cases in the North and consider the context of specific places and people who would benefit from the enhanced connectivity opportunities presented by a new transport scheme.

### Recommendations

To enhance the strategic case, latest Transport Analysis Guidance (TAG) allows for place-based assessment to be included. We have the analytical tools to appraise impact on TRSE which can support partners' Business Cases by demonstrating impacts on disadvantaged communities and areas. This is relevant to all areas, but particularly to coastal communities, post-industrial towns, and rural-urban fringes.

Local transport partners can access detail on the TRSE dashboard and data via the TfN Offer, allowing rigorous identification of areas and communities most at risk, and comparisons to all other areas of England.



## Have you described the scheme impact for people?

In the economic case, many schemes' main impact is the travel time savings. When aligning to this in the strategic case it can be helpful to describe that time saving in the way it will be perceived locally to aid decision-maker understanding.

### Recommendations

Use personas to describe how the scheme will benefit a journey. That is, how will it impact their journey in terms of quality and travel time saving.

Provide maps showing how accessibility changes based on the scheme, this may include if more residents are within 30 minutes of a town centre, or more education or health services available within 30 minutes of home locations.



### Example with travel time saving

Sarah takes the bus to work from her neighbourhood to the town centre. Her route is highly congested with other traffic, and takes between 45 and 60 minutes each way.

Delivering a new bus priority corridor on her route means that the journey time will fall to between 30 and 35 minutes. For Sarah, she can now consider wider employment opportunities and access greater housing options in a wider catchment, supported by improved public transport connectivity.

This faster and more consistent journey time also encourages drivers on the route to switch to the bus service, meaning less congestion, air pollution, and noise for those living along the route.

# Strengthening your economic case

The economic case should retain a golden thread from the strategic case, while showing the economic impacts of the scheme. As well as looking at conventional direct user time savings, the flexibilities below highlight some areas where the economic case can be strengthened.

## Have you captured the active travel benefits associated with new public transport users?

Active travel benefits associated with accessing public transport (PT) could be better captured, as new PT infrastructure will typically involve some form of walking or cycling. This small increase in active travel will have measurable health benefits which are not always captured by transport schemes, but can boost a scheme's Value for Money (VfM).

The Green Book and TAG (see Unit 5.1) allow for health impacts to be reflected in quantified value for money assessments. These active mode-linked benefits are not typically included in PT schemes unless there is explicit walking or cycle infrastructure. The Active Mode Appraisal Toolkit (AMAT) would be a low cost and accessible way of incorporating the health benefits of small increases in walking and cycling to access PT.

To ensure double counting does not take place, the economic case must ensure other benefits are not captured if both public transport and highway benefits have been considered (i.e. congestion benefits, air quality, noise etc.), which are based on the marginal external costs (MECs) of reducing road travel through increasing active travel use.

### Recommendations

Where a PT scheme is on the borderline of a VfM category, this could help reach the threshold, however, it may be considered unnecessary for schemes that have high VfM based on PT impacts.

The approach is relatively low cost and uses established methodology created by DfT and approved by HMT.

The table below shows how you can apply AMAT to capture active travel benefits, in the form of new active travel trips which are associated with a new rail scheme.



### Example: active travel benefits for a rail scheme

Assumption	Value
Estimated Total Journeys from Station	600,000 per year
Number of New Rail Trips from Station	400,000 per year
Number of new passengers in Scope for Active Travel Benefits	800 per day
Proportion That Would Receive Active Travel Benefit	81%
Number of People Cycling to the Station	60 per day
Number of People Walking to the Station	600 per day
Average Cycle Trip Length	8.69km
Average Walking Trip Length	3.70km
Active Travel Benefits from AMAT	£13million

## Have you captured the decongestion benefits from a shift to non-highway modes?

When there is investment in PT or active modes then some users of the new scheme will move away from travelling by car. As well as the benefit to those users, the remaining highway users benefit from less traffic leading to faster travel times

### Recommendations

If a variable demand model has not been used, then it is possible to estimate the benefits to highway users using the marginal external cost TAG unit A5-4[1]. This method gives for different modes the fraction of the direct user benefits that can be expected to be experienced by retained car drivers.

The table below shows how you can calculate the decongestion benefits for highway users based on a reduction in car trips from the network, associated with a new rail scheme.



### Example: non-user benefits calculation for a new station

Assumption	Value
Estimated Total Journeys from Station	600,000 per year
Number of New Rail Trips from Station	400,00 per year
Average Car Occupancy for Commuters in Region	1.1 persons
Car Trips Removed from the Network	90,000 per year
Average Car Commuting Distance in West Yorkshire	11.01 km
Average Distance P&R Users Travel	4 km
MEC Congestion Benefit	£19 million



## Does your business case reflect the current value of human life?

The UK value of human life is set very low by international standards and there is a cross-government study currently looking into the UK Value of Life Year, to revise the current figure which used a small willingness to pay survey in 1999.

This would allow for better promotion of active travel schemes and elements, with better capture of potential health benefits. It would also benefit safety improvements and reductions in pollution has part of highway interventions.

### Recommendations

A sensitivity test using the EU Quality adjusted life year (QALY) would allow better informed decision making and articulation of health benefits for schemes. However, it should be noted that the EU value is not accepted elsewhere in UK appraisal and any implementation of a test may be better to wait for the results of the cross-government study into the UK Value of a Life Year.

Where COBALT has been used to value incident benefits for a highway scheme this can be achieved by changing input parameters.



## Have you given the context of the length of travel time savings?

It is beneficial when a scheme provides a noticeable travel time saving to emphasise this to decision makers.

### Recommendation

Analysis should be undertaken showing how benefits are divided into different time bands. This will allow schemes to demonstrate where they create longer time savings which users will perceive, informing decision makers of how perceptible the benefits will be. Explaining benefits across a programme may also provide further clarification.



# Summary

## → Recommendations

These recommendations are based on our playbook's initial findings and demonstrate how local transport partners can utilise potential Green Book flexibilities to boost the case for investment within their business case. Our playbook also identified several areas where the North would benefit from further research, and we will progress this in the next phases of our playbook.

## → Feedback

We'd also love your feedback. Please [contact us](#) to share your experience in applying these approaches or if you have areas of appraisal practice that you think the North would benefit from further guidance on. We are keen to gather examples to enhance our evidence and advise government where common difficulties arise.

## → Support

One of the applications of the TfN Offer is to support partners with business cases. Through the bronze offer we can make a range of tools and data available to you, or through our silver offer we can review your business case and provide bespoke advice. Further support via the TfN Offer can be accessed [here](#).

For further information on our TfN Offer, advice and support please email [tfnoffer@transportforthenorth.com](mailto:tfnoffer@transportforthenorth.com)